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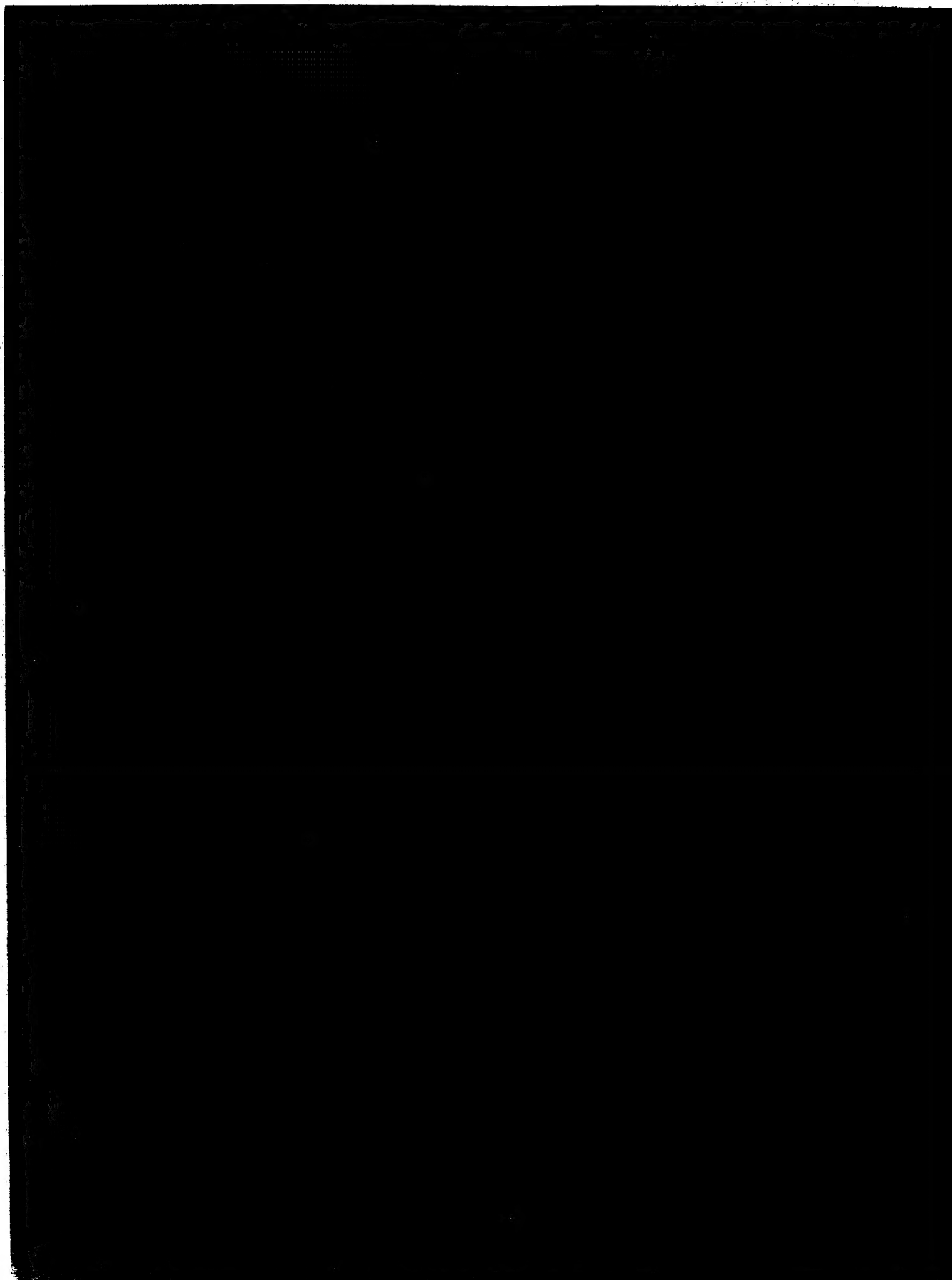
The Malaysian-Indonesian Conflict

DIRECTOR OF CENTRAL INTELLIGENCE
UNITED STATES INTELLIGENCE BOARD
30 OCTOBER 1963

MANUSCRIPT REVIEW
CASE # NLK 78434
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The Malaysian-Indonesian Conflict

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THE MALAYSIAN- INDONESIAN CONFLICT*

CONCLUSIONS

A. President Sukarno appears to be set upon eliminating Western influence from the Malaysia area and replacing it over the long run with Indonesian dominance. To these ends he has set out to suffocate at its birth the new state of Malaysia, which he apparently regards as an unacceptable scheme to perpetuate Western influence and rob Indonesia of territories which it believed would fall under its hegemony with the end of British colonial rule. Sukarno probably counts upon a US willingness to play a mediating role and upon Soviet political and material support. (*Paras. 1-2, 10, 20-21*)

B. The policy of "confrontation" appears designed to undermine Malaysia and to upset constituted authority in Sarawak, and, later, Sabah (North Borneo), to a point where a settlement favorable to Indonesia can be subsequently worked out. Sukarno will continue harassment of the northern Borneo territories plus subversion and economic activities against Malaya and Singapore, expecting to make the continuance of Malaysia unworkable and the British position there untenable. (*Paras. 5-8*)

C. We anticipate no significant domestic threat to Sukarno's continued authority. Inflationary pressures are certain to be generated by the military expense of the "confrontation" campaign, and the heavy, though possibly temporary, costs of the break in trade relations with Malaysia. The Indonesian Com-

* Previous papers covering problems of this area include: NIE 54/59-62, "Prospects for the Proposed Federation of Malaysia," dated 11 July 1962; SNIE 54/59-63, "Prospects for Malaysia," dated 20 February 1963; and NIE 55-63, "Indonesia's International Orientation," dated 10 April 1963.

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munist Party (PKI) will exploit economic discontent but will be limited in this by its strong support of the anti-Malaysia campaign. On the whole, we believe that domestic pressures are not likely to impose restraints on the "confrontation" policy. (Paras. 14-18)

D. Basically, the Malaysian position in the conflict is to stand firm against Indonesian demands under the cover of Commonwealth protection, waiting for Indonesia to weaken and retreat because of political and economic strains at home. As long as Indonesia's stance remains unchanged, Prime Minister Tunku Abdul Rahman will be under strong pressure from his people and party to maintain an uncompromising position. Indonesian "confrontation" has for the moment rallied potentially conflicting forces behind the regime. (Paras. 25-28)

E. The Philippines will probably continue to play a secondary role in the conflict, seeking to establish itself as a genuine force in Asian politics, but careful not to alienate Indonesia on any major question concerning Malaysia so long as the US does not take stronger measures to dissuade Sukarno from his anti-Malaysia actions. Other than the Philippines, Indonesia has almost no non-Communist support for its campaign among the Afro-Asian states. The USSR will probably encourage the Indonesians to continue the campaign against Malaysia, hoping to increase Indonesia's dependence on the USSR and to profit generally in the Afro-Asian world from having once more aided the struggle against "imperialism." However, the Soviets will probably not encourage the Indonesians to enter upon open hostilities with Western forces; if such a development occurs, the Soviets would almost certainly not assume serious risks of their own involvement. (Paras. 19-21, 23)

F. The outlook is probably for a rising Indonesian level of efforts to subvert Malaysia. The British are confident that they can contain Indonesian paramilitary activity. While Sukarno will seek to avoid open hostilities, there is danger that, in pursuing his present course, he will miscalculate in responding to British countermeasures and that a direct military confrontation with UK and Commonwealth forces will occur. (Paras. 9, 31-32)

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DISCUSSION

I. INDONESIA

A. "Confrontation"

1. Indonesia's actions against Malaysia* are conditioned by the Sukarno government's desire to be regarded as a leading Asian power exercising hegemony over all Malay people of Southeast Asia. In moving toward this objective, Sukarno and his followers have expected that as British rule ended in the adjacent states of northern Borneo, they would fall under Indonesian dominance. From the first, therefore, Sukarno has viewed the concept of Malaysia as essentially a British attempt to block such a development by orienting northern Borneo toward a Malaya still under strong British influence.

2. To the Indonesian leaders, Malaysia also represents a potential threat to the security of Indonesia itself. They fear that the West might someday use a British-dominated Malaysia as a base for operations aimed at breaking the outer islands of Indonesia away from Djakarta's control and fragmenting the nation. They are also concerned that a relatively prosperous and stable Malaysia could prove an attractive alternative for the loyalties of adjacent Bornean people and increase latent separatist sentiment in Sumatra and Celebes. The Indonesians also express fear of extension of Chinese power into the area should the large Chinese population of Malaysia come to dominate the new state. Opposition to Malaysia is intensified by Sukarno's strong personal dislike of Malaysian Prime Minister Tunku Abdul Rahman, whom he considers a tool of the British. Sukarno probably also believes that a campaign against Malaysia will assist, as did the West New Guinea campaign, in further consolidating his personal political position at home.

3. Indonesian hostility toward the concept of Malaysia surfaced in the fall of 1962, following the settlement of the West New Guinea dispute. Indonesia's willingness to take active measures against Malaysia became clear during the abortive December 1962 revolt in Brunei, for which Indonesia provided some military, political, and financial support. In turn, the revolt provided an occasion for Indonesian Foreign Minister Subandrio, in January 1963, to announce a policy of "confrontation" toward Malaya. This course has come to encompass all means short of overt hostilities to achieve Indonesia's goal with respect to Malaysia.

* Malaysia is made up of the former Federation of Malaya, Singapore, and two of the three former British dependencies of northern Borneo—the crown colonies of Sarawak and Sabah (North Borneo); the third of these dependencies, the protectorate of Brunei, chose not to join the new state.

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4. Indonesia has refused to accept the report of the UN team which was sent to Sarawak and Sabah as the result of the Manila summit meeting and which concluded that Malaysia clearly had majority support. Claiming that the UN survey was an inadequate test of popular expression, Djakarta persists in demanding a plebiscite and contends that in any properly held plebiscite, free of British influence, the local population would opt for independence rather than inclusion in Malaysia.

5. Indonesia is now carrying on an active policy of paramilitary and subversive activity against Malaysia. In Malaya and in Singapore, Indonesia is giving financial support to the activities of opposition groups seeking to undermine the Tunku's government. Sarawak, however, has been singled out as the most vulnerable target because of the relative ease of access and the existence of significant anti-Malaysia sentiment among the local population. Indonesia is concentrating its efforts on a rapid buildup of guerrilla strength in neighboring Indonesian Borneo (Kalimantan). These guerrilla forces are being formed from a combination of local Kalimantan inhabitants, special units of the Indonesian Army, and recruits from among several thousand anti-Malaysia refugees from Sarawak. Groups of these guerrillas have been sent on raids into Sarawak but thus far not more than 300 altogether have been employed in these operations. This Indonesian program is under the general guidance of the Army, although various Indonesian intelligence organizations and even the Indonesian Communist Party (PKI) participate in certain aspects of its direction. The Army has also made contact with anti-Malaysian elements of the Sarawak United Peoples Party (SUPP), the largest political organization in Sarawak, and the PKI has close contact with the militant Clandestine Communist Organization (CCO), active among the Chinese population of Sarawak. The initial hit-and-run raids against Sarawak border towns that began in April have been replaced by commando-type operations led by Indonesian Army personnel and penetrating further into Sarawak. A few propaganda and sabotage teams have also been dispatched to Sabah.

6. Well-publicized movements of army and paracommando formations to Kalimantan have been undertaken to add to the intimidating effect of clandestine operations. Small naval units have moved to Borneo, Sumatra, and the Riau Archipelago off Singapore. The Indonesian Air Force has dispersed many of its aircraft from Java to bases in Sumatra and Celebes. Overflights of certain Commonwealth bases in Malaysia and Christmas Island (Indian Ocean) have been undertaken. Indonesia is developing several base camps in Kalimantan and is improving landing strips and communications in the border area. The principal support and operations base is at Pontianak, on the western coast, where a joint operations base for army, navy, and air elements is being developed. Similar facilities are being developed at Tarakan, on the east

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coast, and on Natuna Island, astride the air and sea routes between Malaya/Singapore and the northern Borneo areas.

7. Concurrent phases of the "confrontation" campaign will focus upon reducing the will of the indigenous governments and peoples of Malaysia to resist Indonesian demands, and pressuring the Tunku into conference table concessions favorable to Indonesia. In Sarawak, the pressures will be brought to bear largely through Indonesian-supported guerrilla action. The effort will be assisted by about a thousand hard-core Communist youth, organized in the CCO. Many of these are already armed, and the British consider that they pose a more dangerous threat than other Indonesian-supported guerrillas. In Sabah, Indonesian operations are presently limited, perhaps out of deference to Philippine claims to the area but probably more because of the absence of substantial indigenous support for anti-Malaysia activities. The immediate purpose of continuing subversion will be to heighten local insecurity and force the UK to spread its available troop strength in Borneo more thinly. Sukarno hopes, in the longer run, to wear down the ability and determination of the UK (and Australia and New Zealand) to support so difficult a containment action. In Brunei, not yet committed to joining Malaysia, the Indonesians will probably confine themselves to a continuation of covert support for the remnants of the anti-Malaysia Partai Rakjat.

8. In Malaya itself, Indonesia will continue its long-term effort to cultivate opposition parties and groups with a view to eventually displacing the present pro-Western regime. This includes support for the extremist clandestine Malayan Revolutionary Youth Corps. Other groups of Malays and Indonesian Army special units, will continue to be trained for subversive assignments in Malaya and Singapore. The current trade embargo will be the principal weapon used against Singapore, where the effects of this measure will be most deeply felt and are therefore most likely to generate pressures for accommodation.

9. In pursuing his "confrontation" course, Sukarno will seek to avoid overt, large-scale hostilities with UK-Commonwealth forces, primarily because of the military risks involved. Consequently, the Indonesian Army does not contemplate invasion or any all-out assaults, and Indonesian efforts will be directed toward making the UK appear a military aggressor or the obstacle to peaceful settlement of the dispute. Sukarno will probably raise the present level of paramilitary pressures against Malaysia, in the belief that such attacks will not involve unacceptable risks. There is a danger that, in pursuing this course, he will miscalculate in responding to British countermeasures and that a direct military confrontation with UK and Commonwealth forces will occur. A particular source of such danger would be any attempts by the Indonesians to enforce their vast claims to territorial waters and air space around Indonesia, including Natuna Island.

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10. Concern for US reactions has not so far restrained Sukarno to a significant degree in his anti-Malaysia campaign. He has accepted the loss of projected US and IMF economic stabilization aid and developmental assistance and is aware of continuing US disapproval of his actions. Sukarno probably believes that US opposition on the Malaysia issue will not advance much beyond this level of diplomatic and economic pressure. He counts on US concern not to push him toward the Bloc to dissuade the US from exerting stronger pressures. He probably hopes that at some stage the US, concerned over its own possible involvement in hostilities, will offer to play a mediating role that will contribute to the attainment of Indonesian objectives. If he came to believe that such an expectation was groundless, and, indeed, that the US would, in a showdown, give firm support to the Malaysia position, Sukarno might proceed more cautiously but he would be unlikely to abandon his program to subvert Malaysia.

B. Military Capabilities*

11. The Indonesian Army has about three battalions in the Sarawak border area and the equivalent of six others elsewhere in Kalimantan, about 8-9,000 men in all. Port and transport facilities are generally inadequate, however, and supply is difficult. Recent operations have required airdrops for troop supply in the border regions. These forces are probably capable of limited operations in the border areas and of deeper penetrations in small groups, but are probably not capable of seizing and holding any large part of Sarawak and Sabah. Indonesia has at present some 140 infantry battalions scattered throughout the country. While some of these could be brought to Borneo for more extended operations, Indonesia has had little experience with large-scale military operations and the administration and logistic organization would be hard pressed to support any sizeable movement of troops.

12. The Indonesian Navy can prevent Malaysian flag ships from following their usual course between Malaya/Singapore and Sarawak/Sabah. The Navy can also deny Indonesian fishing grounds to Malaysian fisherman. While all shipping between Indonesia and Malaysia could not be prevented, there are sufficient ships in the Indonesian Navy, supplemented as necessary by air patrols, to permit substantial enforcement of the embargo against Malaysian trade. However, because of the limited logistics and repair facilities available in the Malacca Strait and other outlying areas, and a general want of effectiveness on the part of the Navy, it is unlikely that these activities could be sustained for long on a large scale. The primary naval threat to Commonwealth sea lines of communication would be presented by Indonesia's guided missile patrol boats, motor torpedo boats, submarines, and mining capability.

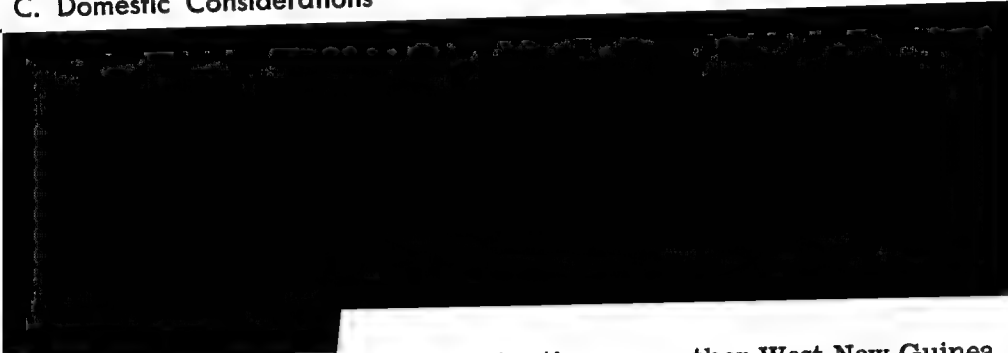
* See tables at annex.

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13. Indonesian IL-28s and MIG-21s operating from Medan (Sumatra) could range over Malaya and Singapore. When Indonesia completes its airfield preparation in Kalimantan, these fields will be capable of supporting jet operations against Sarawak and Sabah. TU-16s launched from Medan, Pitu (Morotai), and three bases on Java could cover all of Malaysia. Marshalling at the forward bases probably would be detected, however, and Indonesian bases themselves are highly vulnerable to air and sea attack by Commonwealth forces.

C. Domestic Considerations



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15. The PKI sees the Malaysia situation as another West New Guinea issue which it can use to strengthen its ties with Sukarno and to gain a fuller participation in national affairs. It expects a sharpening of social discontent and is gratified that "confrontation" has led to abandonment of a stabilization program based on economic aid from the West. The PKI can also be expected to increase its attacks on the US charging that in limiting its aid to Indonesia it reveals its real opposition to legitimate Indonesian objectives. It will also attempt to move Sukarno toward closer cooperation with Communist countries. PKI participation in subversive and guerrilla operations is limited because of close military scrutiny. The party will seek every possible opportunity to have its members undergo military training in order to prepare for the possibility of gaining power through insurrection.

16. The Malaysians, and to a lesser extent the British, believe that the "confrontation" policy will give rise to domestic strains serious enough to undermine the stability of the Sukarno government and to critically increase disaffection in the outer islands. However, army ability and willingness to check serious disturbances and Sukarno's apparent success in making the anti-Malaysia campaign a national crusade will probably keep discontent from reaching unmanageable proportions. Discontent with Sukarno among certain intellectual and Muslim groups is passive and unorganized at present. In the outer islands, there is some resentment of the central government and its policies, but a revolt comparable in size to the 1958 rebellion is unlikely since potential leader-

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ship is imprisoned and organization is lacking. Insurgent groups operating in the Moluccas and southern Celebes are small, isolated, and not likely to become the focus of serious opposition to the central government.

17. The economic situation in Indonesia will almost certainly deteriorate even further as a result of the cost of military and paramilitary operations and the breaking of trade relations with Malaysia. Inflationary pressures will become severe as the short-lived economic stabilization program is abandoned in favor of deficit financing. The greatest impact will be in the disruption of normal trade, shipping, and financial channels for Indonesian exports. Imports from Malaysia are small in volume and easily purchased elsewhere. However, about 30 percent of Indonesia's 1962 exports were to Malaysia, providing about US \$200 million in foreign exchange. The loss of foreign exchange will necessitate a sharp reduction in imports of industrial raw materials and spare parts, thereby further cutting Indonesia's already low manufacturing output, with reduced availability of consumer necessities.

18. However, Indonesian leaders seem willing to accept this economic setback as a political necessity. They also view the severe effects of the trade break with Malaysia as only temporary. They feel that Indonesian products have an assured world market and that, within six months or a year, new trading and processing channels will open to replace those in Singapore. To accelerate this switchover, they are negotiating with traders in Japan, Hong Kong, and the Philippines as well as soliciting assistance from Soviet and other Bloc sources. It is probable that, in time, they will be able to find new markets and build up facilities that will in large part replace the entrepot services of Singapore. Nevertheless, the short-term impact of the trade disruption may be more serious than the Indonesians realize or care to admit.

D. Attitudes of Interested Powers

19. *The Philippines.* Indonesia in general has the support of the Philippines in the Malaysia dispute and will probably continue to have it, barring a US-Indonesian showdown. The Philippines is concerned to keep alive its claim in Sabah. Beyond this, however, there is a strong desire, despite concern over Indonesian expansionism, to act in concert with Indonesia politically and diplomatically since many Filipinos consider Indonesia the future dominant power in Southeast Asia. The Philippines has been far less vigorous in pressing the cause of "Bornean self-determination," but it has not yet compromised its stand on the Malaysia recognition issue and seems unlikely to do so until such time as such an act would be acceptable to Indonesia.

20. *The USSR.* The Soviet Union sees Malaysia as a British device to retain control over former colonial territories. Nevertheless, though critical of the new state, the Soviets have hinted that if Malaysia seemed

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to be "independent," it might gain Soviet diplomatic recognition. Moscow has also shown a lukewarmness to the Indonesian case. These Soviet attitudes are almost certainly conditioned by misgivings concerning potential Chinese Communist influence in the Malaysian area, uncertainty about the future course of relations with Sukarno and the value of Soviet gains to date, and the generally pro-Chinese orientation of the PKI leadership.

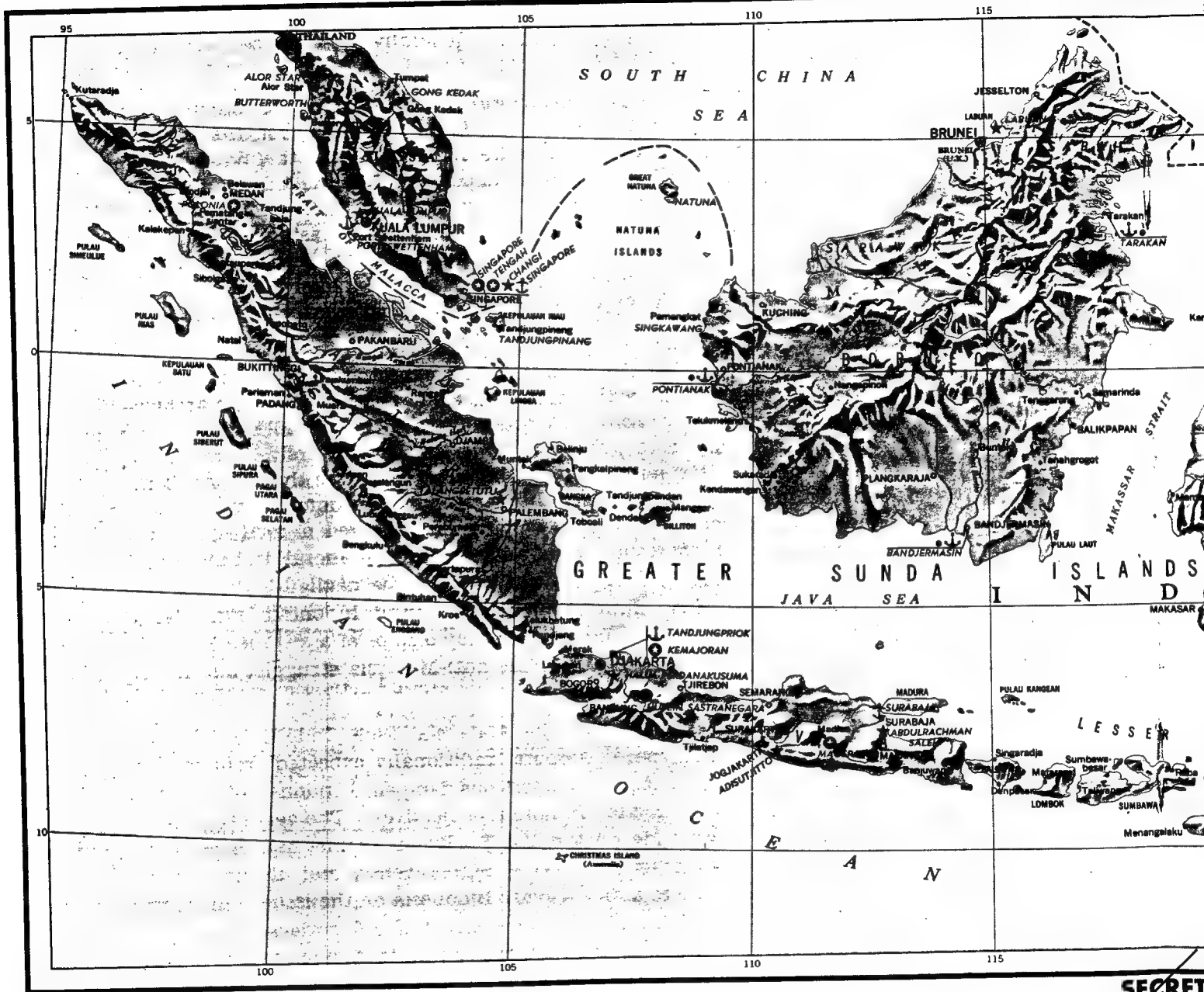
21. On the other hand, the opportunity to embroil a major Asian country with "imperialism" must hold great appeal for the Soviets. They would hope to further alienate Indonesia from the West and to increase its military and economic dependence on the USSR. The Soviets will probably therefore encourage Sukarno to continue his campaign and may augment their limited economic assistance. However, the Soviets will probably discourage Indonesia from becoming involved in open hostilities and, if these occurred, would be likely to limit assistance to such low risk operations as would avoid overt clashes between Soviet and Western personnel in the area.

22. *Communist China.* Indonesia can expect much less in the way of tangible assistance from Communist China. Peiping has an ambivalent attitude on the issue. It probably sees the possible breakup of Malaysia as a useful step in forwarding its own subversive aims in the area. On the other hand, it would be reluctant to see the Chinese community in northern Borneo fall under Indonesian domination. Nevertheless, after some hesitation, Peiping has adopted a forthright pro-Indonesian anti-Malaysian stand and has offered "moral and material" support. Its material support will probably be negligible, but propaganda among leftist Chinese in Malaysia and Indonesia may assist Djakarta's cause. Communist China may also be of assistance in building CCO support in Sarawak for the anti-Malaysia struggle, but as yet there is no evidence of such activity.

23. *Afro-Asian States.* On the Malaysia issue, Indonesia has virtually none of the type of support traditionally expected from former colonial states. This lack of support has dampened Indonesian hopes of using the UN machinery to promote its objectives. The generally favorable Afro-Asian attitude toward the Tunku and some apprehension in this quarter over Sukarno's growing aggressiveness and ultimate ambitions have combined to almost isolate Indonesia on the issue. Although Algeria and the UAR have expressed mistrust of UK motives and support for Sukarno, Commonwealth states, such as India, Tanganyika, and even Ghana, have been pro-Malaysia. It seems probable that Sukarno will continue to find little support for his aims in the UN, although most countries would probably assist efforts to reach a compromise on the issue if a clear threat to the peace should develop.

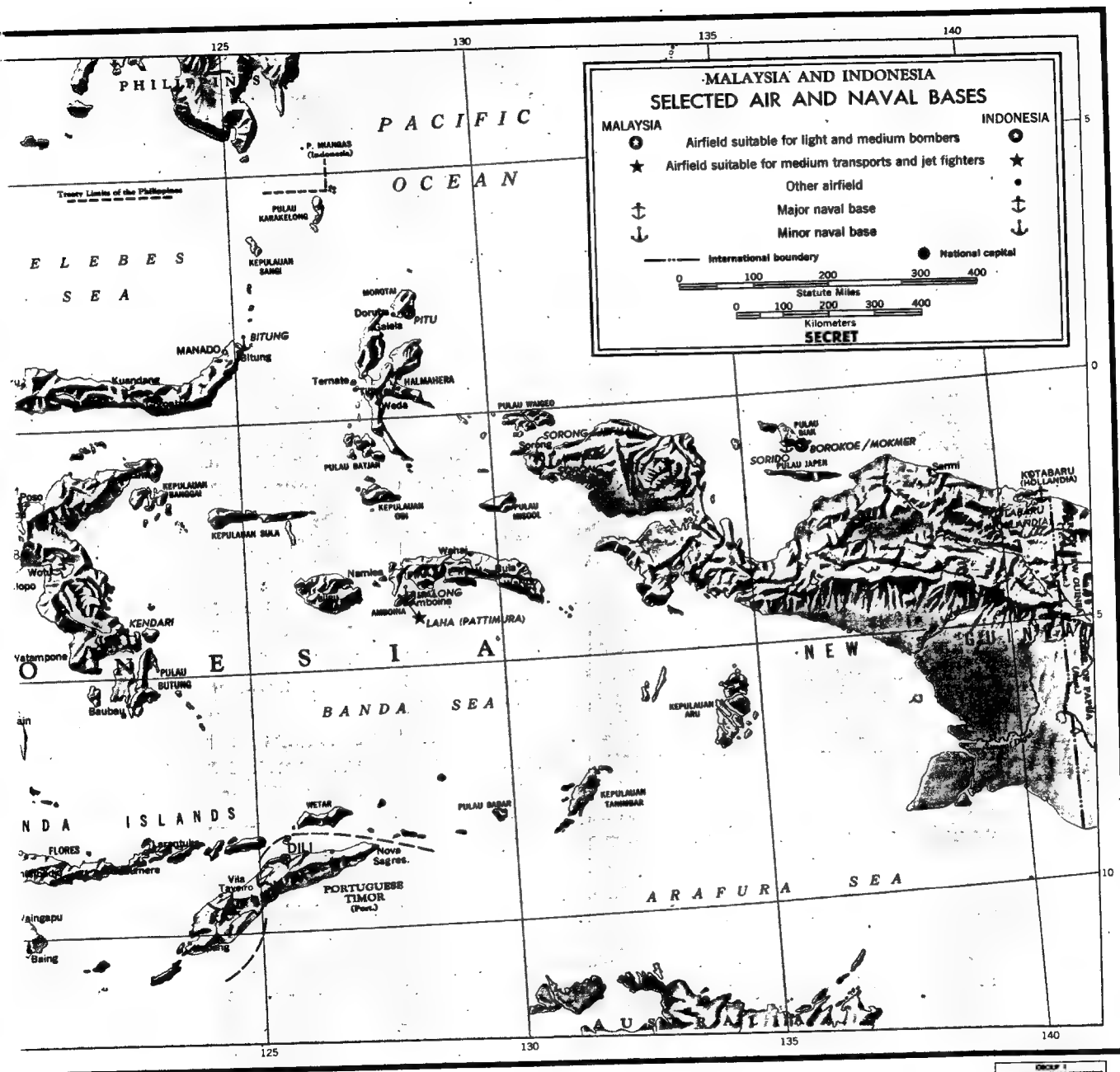
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24. *Japan.* Indonesia is counting on Japanese economic assistance to help fill the financial gap left by the suspension of US and IMF stabilization programs and the abandonment of various other international efforts to assist Indonesia's economy. The Japanese are probably willing to assist the Indonesians to some degree and are especially interested in working toward a longer range reorientation of certain Indonesian trade patterns toward Japan, but they have no desire to take over a major portion of the economic burden in Indonesia. Although their Malaysian trade is twice that with Indonesia, this has apparently not been a factor in their considerations to date. They will wish, to some degree at least, to coordinate their policies with the US. Japan sees little to gain from the present conflict and Prime Minister Ikeda has been actively seeking to mediate and moderate the dispute.

II. MALAYSIA

A. Domestic Considerations

25. Basically the Malaysian position is to stand firm against Indonesian demands under the cover of Commonwealth protection, waiting for Indonesia to weaken and retreat because of political and economic strains at home. Prime Minister Tunku Abdul Rahman is strongly supported by his Alliance party leaders in his determination not to resume diplomatic relations or negotiate with Indonesia until it first recognizes Malaysia and ceases attacks and subversion in the Borneo territories.

26. The Tunku's political position, although strong, is not invulnerable. He has a potential rival in Singapore's Lee Kuan Yew. Such concessions as the Tunku has made to Indonesia have been criticized by an emotionally aroused population, deeply resentful of Indonesian actions. His role in the internal negotiations and arrangements involved in establishing Malaysia have also aroused resentment in some groups and areas. These criticisms and his consequent loss of prestige reinforce the Tunku's reluctance to enter negotiations with Indonesia and the Philippines. Nevertheless, if in his view, Indonesia seemed prepared to resume normal relations on reasonable terms, he would probably attempt to secure the support of his Cabinet and his party for negotiations in the belief that Malaysia's long-term stability requires a cessation of "confrontation."

27. There are potentially grave areas of conflict within Malaysia which would pose serious problems for the new state even if there were no "confrontation" with Indonesia. Leaders of the component states are jealous of their states' rights. In Malaya, the partnership between the Malays and the Chinese remains an uneasy one. In Singapore, there is hostility from the predominantly Chinese, pro-Communist Barisan Sosialis Party, and there is a constant threat of renewed strikes and violence despite the recent arrest of leading leftists. In the Borneo ter-

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ritories, where the insurgent threat is greatest, the indigenous tribes generally have remained loyal to the British and to Malaysia, but there is an age-old hostility toward the Malays that could be aggravated by acts of Kuala Lumpur or agitation by Indonesia. There are strong anti-Malaysia forces in Sarawak's largest party, the SUPP, which represents the bulk of the territory's Chinese population. The 30,000 Indonesian migrants in Sabah constitute a target for Indonesian subversion.

28. In the context of the conflict with Indonesia, these divisive forces have been relatively quiescent, and most of the potentially conflicting personalities and groups have joined, at least temporarily, in opposition to Indonesia. We are unable to estimate with any confidence the duration of the present relative unity in Malaysia. The scope and pace of the Indonesian effort, the success of the central government in providing effective leadership, economic developments, and the constancy and effectiveness of outside support will all have their bearing on the stability and staying power of Malaysia.

29. Malaysia's economic position is strong compared to that of Indonesia. The conservative fiscal policies of the Kuala Lumpur Government and the backing of the UK have provided Malaysia with a good base from which to meet Sukarno's economic thrusts. In Malaya itself, the impact of broken trade relations has been relatively slight and Borneo is unaffected. Nevertheless, the severance of trade relations has hit Singapore relatively hard. It is estimated that Malaysia will lose about \$90 million annually of which \$70 million will be lost to Singapore. The burden in Singapore will fall upon firms engaged in processing Indonesian smallholder rubber and other agricultural raw materials. An estimated 10,000 workers have already been affected and as many more may shortly feel the impact. In view of its chronic unemployment problems, this is a threat to the political stability of Singapore. However, Lee Kuan Yew, Singapore's Prime Minister and Malaysia's pre-eminent Chinese leader, can be expected for the time being to subordinate his political rivalry with the Tunku to his belief that Chinese interests will be advanced by a stable and harmonious Malaysia. He is likely, therefore, to support firm resistance to the Indonesian campaign against Malaysia.

B. Military Capabilities*

30. By late November 1963, the Malaysian Army strength in Sarawak and Sabah is expected to total about 2,700. With total ground forces of 17,000 men, a very small coastal navy, and a small airforce without combat planes, Malaysia could not effectively defend itself against a major Indonesian assault. The security of Malaysia thus depends upon the support of Commonwealth forces, especially the UK.

* See tables at annex.

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C. Commonwealth Support

31. *The UK.* The British have longstanding commitments to the security of Malaya and Singapore as well as a vital economic stake which they would fight to defend. The British-Malayan defense agreements of 1957 have been extended to all of Malaysia. Furthermore, the British are determined not to be pushed out of northern Borneo by Sukarno because of the probable impact upon their status as a great power in East Asia and the principal protector of Commonwealth interests in the region. The UK is unlikely to accept willingly any settlement of the conflict that would involve important gains for Sukarno and heavy prestige losses for itself.

32. British policy in response to the current insurgency situation in Borneo is to establish a workable military defense with all available resources and make the guerrilla effort so costly to Indonesia in lives and material and so unpromising of success that Sukarno will abandon his plan to take over Sarawak and Sabah. The present level of localized guerrilla activity and covert border incursions does not constitute a serious threat to the British position in Borneo and the British are confident that they can handle any guerrilla effort the Indonesians can mount. If Indonesia tried to seize limited border areas in the Borneo territories, it would probably meet with initial success, but the UK could bring sufficient force to bear to prevent the Indonesians from establishing permanent occupation. In the case of a major Indonesian effort to occupy Sarawak or Sabah, UK logistics would be strained to support a prolonged campaign. In this event, London might retaliate by air and naval attacks against certain Indonesian bases and would certainly press hard for direct US assistance while exerting diplomatic efforts through the UN to end the conflict.

33. *Military.** The UK has six combat battalions in the Borneo area and an additional 13 battalions elsewhere in the Far East. These include UK army troops, Royal Marines, and Gurkhas. In addition to this force of well-trained troops, there are a limited number of special forces troops available for specialized duties. It is possible for the UK to augment the forces regularly stationed in East Asia with units from the UK home base and other areas. However, these strategic reserve forces are on call for emergency redeployment anywhere in the world, and, if the UK were required to augment more than one area at a time, the amount of these resources available for Malaysia could be severely limited.

* See tables at annex.

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36. Despite their commitments to Malaysia's defense, it is probable that both Australia and New Zealand will confine their military activities for the next few months to Malaya and Singapore, perhaps thereby permitting the release of UK forces for the Borneo front. In this way, a confrontation with Indonesia could be postponed until dictated by urgent military necessity. Australia's future conduct would be affected by the construction put upon US commitments under the ANZUS pact. Should Indonesian guerrilla actions appear likely to cause serious difficulties for Commonwealth forces, Australia, although recognizing the limits on US obligations under the ANZUS pact, will argue that the point has been reached where subversion and guerrilla warfare have become overt and armed attack.

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ANNEX
MILITARY FORCES INVOLVED IN THE MALAYSIAN-INDONESIAN
CONFLICT

TABLE I

INDONESIAN ARMED FORCES

Ground Forces

Army: 297,000	131 Infantry Bns
	9 Paracommando Bns
	8 Armored Bns
	20 Artillery Bns
	9 Engineer Bns
Police Mobile Brigade: 23,000	33 Bns
	1 Ranger Bn

Naval Forces

Navy: 20,000
Marines: 13,700
Naval Air: 240

Ship Strength:

- 1 Light Cruiser (CL)
- 5 Destroyers (DD)
- 2 Coastal Destroyers (DC)
- 4 Destroyer Escorts (DE)
- 12 Submarines (SS)
- 2 Escorts (PCE)
- 3 Patrol Escorts (PF)
- 2 Submarine Chasers, Small (SC)
- 21 Motor Gunboats (PGM)
- 4 Guided Missile Patrol Boats (PGMG)
- 21 Motor Torpedo Boats (PT)
- 4 Fleet Minesweepers (MSF)
- 10 Inshore Minesweepers (MSI)
- 8 Tank Landing Ships (LST)
- 2 Infantry Landing Ships, Large (LSIL)
- 3 Utility Landing Craft (LCU)
- 32 Auxiliary Craft
- 21 Service Craft

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Air Force

Personnel—16,000; has 13 operational squadrons which include 25 jet medium bombers (TU-16), 17 jet light bombers (IL-28), and 87 jet fighters (MIG-21C, MIG-19D, and MIG-17); transport capability of its 60 transport aircraft (C-47, IL-14, and C-130B) is approximately 1,950 paratroopers.

Inventory:

Fighter (Day):	MIG-21C/FISHBED	18
	MIG-19D/FARMER	8
	MIG-17/FRESCO	61
	F-51	19
	LA-11/FANG	25
Light Bomber:	B-26	8
	B-25	16
	IL-28/BEAGLE	17
	TU-2/BAT	12
Medium Bomber:	TU-16/BADGER	25
Transport:	C-140	1
	C-130B	10
	C-47	28
	IL-14/CRATE and AVIA	21
Other:	Helicopter	39
	Trainer	150
	Miscellaneous	145

TABLE II

MALAYSIAN ARMED FORCES

Ground Forces

Army: 17,000 10 Infantry Bns
1 Artillery Bn
2 Armored Bns

Naval Forces

Navy: 1,166 (including 73 Commonwealth personnel)
Ship Strength:

4 Coastal Minesweepers (MSC)
4 Inshore Minesweepers (MSI)
11 Service Craft

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Air Force

Personnel—1,050

Inventory:

Transport:	Twin Pioneer	14
	Pioneer	8
Other:	Trainer	6
	Miscellaneous	5

TABLE III

COMMONWEALTH ARMED FORCES IN THE WESTERN PACIFIC

Ground Forces

Commonwealth Forces (Malaysia):

- 14 Infantry Bns
- 4 Artillery Bns
- 1 Armored Bn

British Forces (Hong Kong):

- 5 Infantry Bns
- 2 Artillery Bns

Australian Army:

- 1 Infantry Div (—) total
- 2 Infantry Bns } 21,000

New Zealand Army:

- 2 Infantry Bns } total
- } 5,500

Naval Forces

British Far East Fleet (Singapore):

- 1 Attack Carrier (CVA)
- 1 Amphibious Assault Ship (LPH)
- 1 Light Cruiser (CL)
- 4 General Purpose Destroyers (DD)
- 1 Radar Picket Destroyer (DDR)
- 2 Radar Picket Escort Ships (DER)
- 5 Patrol Escorts (PF)
- 1 Mine Countermeasures Support Ship (MCS)
- 8 Coastal Minesweepers (MSC)
- 5 Submarines (SS)
- 1 Submarine Tender (AS)
- 1 Repair Ship (AR)

British Far East Fleet (Hong Kong):

- 3 Coastal Minesweepers (MSC)

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Attached British Far East Fleet:

- 1 General Purpose Destroyer (DD)—Australia
- 1 Antisubmarine Destroyer (DDE)—Australia
- 1 Antisubmarine Destroyer (DDE)—New Zealand

At Mombasa, Kenya for Maintenance:

- 1 Attack Carrier (CVA)

Australian Naval Forces:

- 1 ASW Support Aircraft Carrier (CVS)
- 5 Destroyers (DD)
- 7 Antisubmarine Destroyers (DDE)
- 4 Patrol Escorts (RF)
- 6 Minesweepers, Coastal (MSC)

New Zealand Naval Forces:

- 1 Antiaircraft Light Cruiser (CLAA)
- 2 Antisubmarine Destroyers (DDE)
- 4 Patrol Escorts (PF)
- 4 Minesweepers, Fleet (MSF)

Air Forces

Commonwealth Far East Air Forces Command consists of 13 tactical squadrons, including 20 jet light bombers, 8 medium piston bombers, and 58 jet fighters; of these squadrons 10 are UK and 3 are Australian (1 bomber and 2 fighter); transport capability of various type transport aircraft is approximately 1,500 paratroopers.

Commonwealth Far East Air Forces:

Fighter:	Javelin F(AW)9	16
	Hunter GA19	19
	Meteor T7	1

Light Bomber:	Canberra B15	8
	Canberra TR7 (Reconn.)	5
	Shackleton MR2 (Reconn.)	8

Transport:	Dakota (C-47A)	3
Other:	Helicopter	15
	Trainer	16
	Miscellaneous	46

Commonwealth Far East Air Forces (Australian):

Fighter:	Vampire T33	1
	Sabre Mk32	14

Light Bomber:	Canberra B15	8
	Canberra TR	1

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Commonwealth Far East Air Forces (New Zealand):

Transport: Bristol Freighter 4

British Far East Fleet (Singapore) Air Arm:

Fighter: Sea Vixen 10

Fighter-Bomber: Scimitar 10

Other: ASW Helicopter 8

Miscellaneous 4

Australian Air Force:

Fighter: Meteor Mk 7/15/16/21 26

Sea Vixen DH-110 1

Avon-Sabre Mk-30/31/32 95

Light Bomber: Canberra Mk-20 54

ASW: Neptune P2V-7 12

Neptune P2V-5 11

Transport: Hercules C-130A 12

Convair 440 2

Dakota C-47A and B 44

Freighter Mk-31 3

Other: Helicopter 21

Trainer 158

Miscellaneous 18

Australian Naval Air Arm:

Fighter: Sea Venom 28

ASW: Gannet As-1 24

Transport: C-47 2

Other: Helicopter 18

Trainer 12

Miscellaneous 9

New Zealand Air Force:

Fighter: Vampire FB-5 28

Light Bomber: Canberra B(I)-12 10

ASW: Sunderland Mk-5 11

Transport: Douglas DC-6 3

Hastings C-3 3

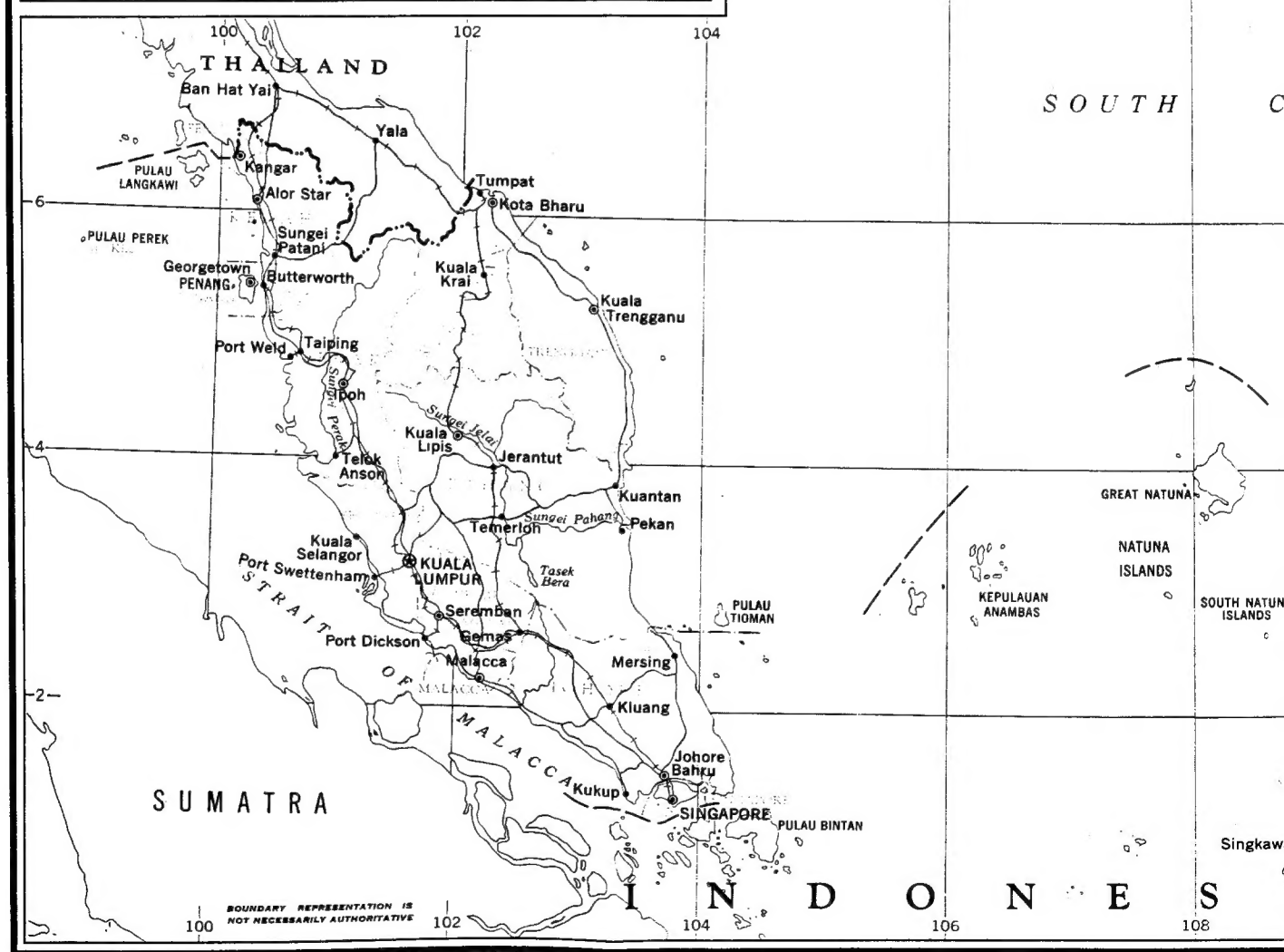
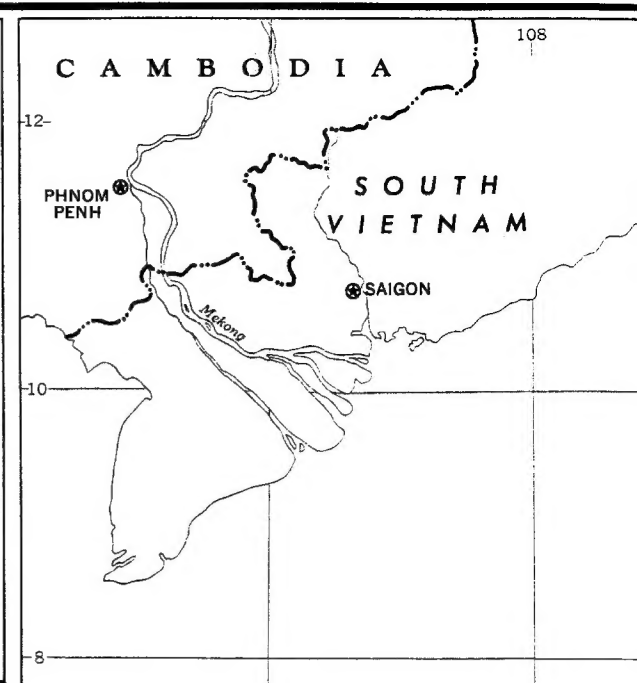
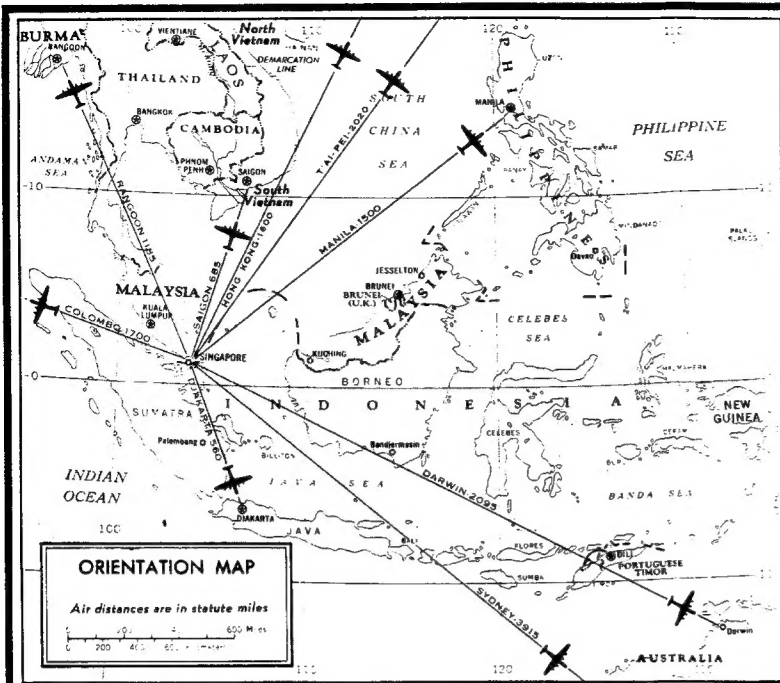
Freighter Mk-31 9

Dakota (C-47B) 3

Other: Trainer 60

Miscellaneous 29

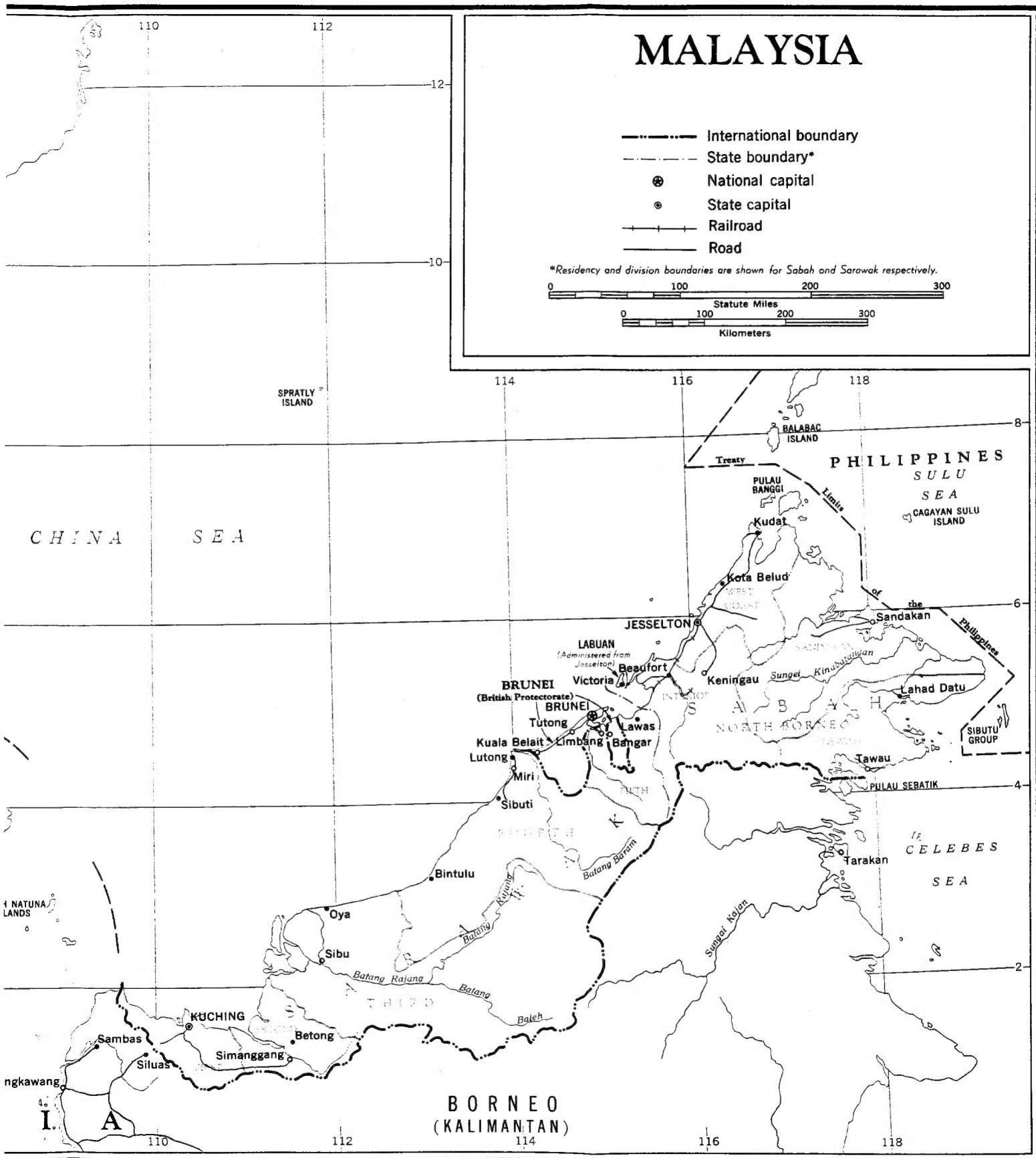
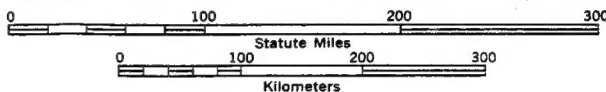
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MALAYSIA

- · — · — International boundary
- - - State boundary*
- ⊙ National capital
- ⦿ State capital
- + + + Railroad
- Road

*Residency and division boundaries are shown for Sabah and Sarawak respectively.



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